



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

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Community Reinvestment Act Performance Evaluation

The First National Bank Of Decatur
Charter Number: 4920

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NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Satisfactory**.

The following table indicates the performance level of **The First National Bank Of Decatur (FNBD)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory			X
Low Satisfactory	X		
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes.
- The geographic distribution of mortgage and farm loans reflects adequate penetration throughout the AA. The geographic distribution of business loans reflects good penetration throughout the low-income census tracts in the AA.
- Lending levels reflect adequate responsiveness to assessment area(AA) credit needs. FNBD is the dominate lender in the assessment area making small loans to businesses and farms. FNBD ranked fifth out of the lenders making mortgage loans in the A.
- The institution has an excellent level of qualified community development investments and grants.
- The institution provides a relatively high level of community development services.
- The bank's delivery systems are very accessible to all geographies and individuals of different income levels in the AA.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Block Numbering Area (BNA): A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-

couple family or other family, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home Mortgage Loans: such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area (MA): Any primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier One Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

Description of Institution

The First National Bank of Decatur (FNBD) is a \$437 million intrastate institution with six full-service locations. Five offices, including the main office, are in Decatur, Illinois, and one office is in Mt. Zion, Illinois. The bank operates 12 proprietary ATM's. Five of the bank's ATMs are onsite at bank branches and eight are offsite. The bank has one AA, which covers the entire Decatur MA (Macon County).

FNBD is a wholly-owned subsidiary of Main Street Trust, Inc. (MSTI), a financial services company headquartered in Champaign, Illinois. MSTI has \$1.1 billion in assets. In addition to FNBD, MSTI has two other wholly owned subsidiaries – BankIllinois (a commercial bank located in Champaign, Illinois) and Firstech (a remittance processing company located in Decatur, Illinois). MSTI came into existence in March 2000, when First Decatur Bancshares, Inc. (FNBD's former holding company) and BankIllinois Financial Corporation merged. No other merger or acquisition activity involving FNBD has occurred during this evaluation period. There is an investment commitment of MSTI that the bank has asked us to consider during this review.

As of December 31, 2002, FNBD had \$268 million in total loans, which was 61 percent of total assets, and \$47 million in Tier 1 capital. The bank's loan portfolio was 45 percent real estate-secured, of which twenty-three percent of the loan portfolio was 1-4 family residential mortgage loans, seventeen percent was commercial loans secured by real estate, and four percent was construction and development loans. Farmland and multi-family loans make up 1 percent. The remainder of FNBD's loan portfolio included 36 percent commercial loans, 14 percent consumer loans, and 2 percent agricultural loans.. The bank focuses on commercial lending, residential loans, and trust services.

There were no financial, legal, or other impediments that would hinder the bank's ability to help meet the credit needs of its AA. The bank was rated Satisfactory at its last CRA examination on September 27, 1999.

Scope of the Evaluation

Evaluation Period/Products Evaluated

For the Lending Test, FNBD's originations and purchases of home mortgage loans, small loans to businesses, small loans to farms and CD loans were evaluated. With the exception of community development (CD) loans, the evaluation period was July 1, 1999 through December 31, 2002. For CD loans, the evaluation period was September 28, 1999 through April 27, 2003.

For the Investment Test, current balances of qualified investments made in prior periods and qualified investments made in the current period were evaluated. The evaluation period was September 28, 1999 through April 27, 2003.

For the Service Test, the geographic distribution of branches, the bank's record of opening and closing branches, and retail and CD services were evaluated. The evaluation period was September 28, 1999 through April 27, 2003.

Market share data for home mortgage loans and small loans to businesses and farms were based on 2001 aggregate data, which was the most current data available at the time the bank's CRA performance was evaluated.

Data Integrity

As part of this CRA evaluation, we tested a sample of FNBD's publicly filed data on home mortgage loans and small loans to businesses and farms for the years 1999, 2000, 2001, and 2002 for accuracy. We found significant errors in the small loans to businesses/farms data for 1999, 2000, and 2001. The bank reviewed its data and made necessary corrections. We tested a sample of the revised data and determined that it was accurate and reliable, with the exception of the 2001 small loan to businesses/farms data. The bank then reviewed its 2001 small business and small farm data again and made necessary corrections. We tested a sample of this revised data and determined that it was accurate and reliable. All home mortgage loan data and the 2002 small loans to businesses/farms data were substantially correct and reliable. We used the 1999, 2000, 2001, and 2002 home mortgage data and the 2002 small loans to businesses/farms data, in addition to the corrected 1999, 2000, and 2001 small loans to businesses/farms data in our analysis.

We reviewed the bank's lists of qualified investments, community development (CD) loans, and CD services. We determined that some items did not meet the definition of a qualified investment, CD loan, or CD service. We used the corrected lists of CD loans, investments, and services for our analyses.

Selection of Areas for Full-Scope Review

We performed full-scope procedures for FNBD's only AA, the Decatur MA.

Ratings

Since the bank has only one AA, the overall rating is based on the entire performance of FNBD during the evaluation period. Based on the volume of loans of the different product types, home mortgage loans were weighted more heavily than small business loans in reaching the lending test rating. When looking at home mortgage loans, the most weight was placed on refinance loans, due to the volume of this type of loans. FNBD made only 61 small farm loans and 110 home improvement loans during the evaluation period. Therefore, the bank's performance in small farm and home improvement lending was given very little weight in reaching the overall rating.

Other

During this examination, we conducted two community contact interviews in the Decatur MSA. Our contact from the Chamber of Commerce indicated that education and jobs were the major community needs and cited housing needs as being met by the Wabash Crossing Project. Our contact from the Neighborhood Housing Development Corporation cited housing and job

training, as major community needs. The contacts stated that the area banks are active in the community. Both contacts stated that funding for their various programs is always a need.

Fair Lending Review

An analysis of recent years' HMDA, Small Business, and Small Farm lending data, public comments and consumer complaints was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted in connection with the CRA evaluation this year. The latest comprehensive fair lending exam was performed in September 1999.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated "Low Satisfactory". Based on a full-scope review, FNBD's performance in its AA is adequate.

Lending Activity

Lending levels reflect adequate responsiveness by FNBD to the credit needs of its full scope AA. Refer to Table 1, Lending Volume, in Appendix C for the facts and data used to evaluate the bank's lending activity.

During the evaluation period, FNBD extended 2,413 home mortgages, small business and small farm loans totaling \$239 million in the Decatur MA. Approximately 60 percent of FNBD's originated/purchased loans in the AA are home mortgage loans, 38 percent are small business loans, and the remaining 2 percent are small loans to farms. Of the total home mortgage loans, home refinance loans accounted for 63 percent, home purchase loans accounted for 29 percent, and home improvement loans accounted for 8 percent.

FNBD was one of the top two dominant banks in terms of deposits in the full scope AA. Based on June 20, 2002 FDIC deposit statistics, FNBD had a deposit market share of 21 percent and ranked second of the 16 banks with branches in the full scope AA. The bank that ranked first had a 36 percent market share of deposits as compared to the bank that ranked third with a 12 percent of the market share of deposits.

The level of HMDA lending by FNBD reflects adequate responsiveness to the housing needs of the AA and represents the bank's highest volume of lending. Four hundred and seventy-eight loans totaling \$47,207,000 were HMDA related loans. Based on 2001 aggregate HMDA market share data, FNBD had an 8 percent market share and ranked fifth of 181 lenders making home mortgage loans. FNBD had a 5 percent market share and ranked 7th of 102 lenders making home purchase loans. It had a 2 percent market share and ranked 14th of the 38 lenders making home improvement loans. The bank had a market share of 10 percent and ranked 1st of 154 lenders making refinance loans. While there are only 16 financial institutions with offices in this AA, the area is very competitive with many more institutions and other types of companies providing home mortgage loans in this AA

FNBD was the dominant lender making small loans to businesses and farms in the AA. Based on 2001 aggregate CRA market share data, FNBD had a 17 percent market share and ranked first of 49 lenders making small loans to businesses and farms. The bank had a 16 percent market share and ranked first of 47 lenders making small loans to businesses. FNBD had a 54 percent market share and ranked 1st of 12 lenders making small loans to farms.

Distribution of Loans by Income Level of the Geography

The geographic distribution of FNBD's loans reflects an adequate distribution of loans in low- and moderate-income census tracts inside the AA. The bank did not make any multi-family loans. Therefore a geographical analysis of multi-family loans was not completed.

Since the 1990 census data was compiled, there have been significant changes in the demographic data within the bank's low- and moderate-income census tracts. These changes are significant enough to render the 1990 census data outdated and misleading. Demographic data from the 1990 census show that owner-occupied units in low-income census tracts in the bank's AA represent 4 percent of the owner-occupied housing in the AA. Also, the owner-occupied units in the moderate-income census tracts in the bank's AA represent 17 percent of the owner-occupied housing. The low- and moderate-income census tracts in the bank's AA are located in the center of the county, mostly in the City of Decatur. According to information from the bank, community contacts, the Internet, and on-site observations, the level of owner-occupied housing in these areas has declined significantly. Many areas to the north, west, and south of the City of Decatur have been demolished. Some have been redeveloped, while others are vacant. These areas were previously sites of substandard or abandoned single family, public, or multifamily housing units. Owner-occupied housing inhabitants were relocated to up-graded single-family residences outside of the low- and moderate-income census tracts. Rental unit occupants were given relocation certificates and quickly filled available rental units in areas other than low- and moderate-income census tracts. Availability of rental units is now at a premium and rental costs are much higher than 1990 data indicates.

Bank personnel and external community contacts also indicated a general migration of population from the City of Decatur. The migrating population has been drawn to new housing developments to the north (in and around Forsyth, Illinois) and south (in and around Mt. Zion, Illinois) of Decatur.

Home Mortgage Loans

The overall geographic distribution of FNBD's home mortgage loans reflects an adequate distribution throughout the AA. Of the 181 lenders making home mortgage loans in the bank's full scope AA, only 44 (24 percent) made loans in the low-income geographies and only 89 (49 percent) made loans in the moderate-income geographies. The bank ranked 5th of these 181 lenders with 8 percent of the market share. Refer to Tables 2, 3, 4 and 5 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Home Mortgage Refinance Loans

Home mortgage refinance loan geographic distribution is adequate in the AA. The percentage of the bank's refinance loans made in the low-income geographies (less than 1 percent) is less than the percentage of owner-occupied housing units (4 percent) that are in those geographies. The percentage of the bank's refinance loans made in the moderate-income geographies (5 percent) is significantly below the percentage of owner-occupied housing units (17 percent) in those geographies. The bank's market share for refinance loans made in the

low- and moderate-income geographies (2 percent and 6 percent, respectively) is below its overall market share (10 percent) for home purchase loans.

Based on 2001 aggregate HMDA data, 26 lenders reported extending only 41 home mortgage refinance loans in low-income census tracts within the bank's AA. FNBD ranked eighth of 19 lenders extending one home mortgage refinance loan in low-income census tracts. The 1st rated bank reported extending only six home mortgage refinance loans. Sixty-six (66) lenders reported extending 311 home mortgage refinance loans in moderate-income census tracts within the bank's AA. Of those lenders, FNBD ranked 4th, extending 20 home mortgage refinance loans. The 1st rated bank reported extending only 25 loans.

Although the bank's distribution of home purchase loans is below the distribution of owner-occupied units based on 1990 census data, it is considered adequate based on the migration of the population and the reduced numbers of owner-occupied units in these areas since 1990, as discussed above.

Home Purchase Loans

The bank's geographic distribution of home purchase loans reflects adequate performance in lending in low- and moderate-income census tracts within the AA. During this evaluation period, FNBD extended 7, or 2 percent, of its home purchase loans in the low-income census tracts and 33, or 8 percent, of its home purchase loans in moderate-income census tracts. The bank's distribution of home purchase loans in low- and moderate-income census tracts falls significantly below the percentage of owner-occupied units in low- (4 percent) and moderate-income (17percent) census tracts. The bank's market share for loans made in the low- and moderate-income geographies (2 percent for each) is below its overall market share (5 percent) for home purchase loans.

Based on 2001 aggregate HMDA data, 22 lenders reported extending 48 home purchase loans in low-income census tracts within the bank's AA. FNBD ranks 10th tied in this position with 12 other banks, each making only one (1) loan. This data also shows that 46 lenders reported extending 290 home purchase loans in moderate-income census tracts. FNBD ranks 9th of all lenders for home purchase loans in moderate-income census tracts. Although the bank's distribution of home purchase loans is below the distribution of owner-occupied units based on 1990 census data, it is considered adequate based on the migration of the population and the reduced number of owner-occupied units in these areas since 1990, as discussed above.

Home Improvement Loans

Home improvement loan geographic distribution is adequate in the full-scope AA. During this evaluation period, FNBD made 1 percent of its home improvement loans in low-income geographies and 9 percent of its home improvement loans in moderate-income geographies. The bank's distribution of home improvement loans in low- and moderate-income census tracts falls significantly below the percentage of owner-occupied units in low- (4 percent) and moderate-income (17 percent) census tracts. The bank's market share for loans made in the low- and moderate-income geographies (0 percent for each) is below its overall market share (2 percent) for home purchase loans.

Based on 2001 aggregate HMDA data, the bank did not make any home improvement loans in low- or moderate-income geographies. It is important also to note that during 2001, the bank

made only 4 home improvement loans in middle-income tracts and 1 home improvement loan in upper-income geographies. Only ten banks in the bank's AA made home improvement loans in low-income census tracts. Of those ten, the top lender made only 3 home improvement loans. Fourteen (14) lenders made home improvement loans in moderate-income tracts, with the top lender making only 9 loans.

Although the bank's distribution of home improvement loans is below the distribution of owner-occupied units based on 1990 census data, it is considered adequate based on the migration of the population and the reduced numbers of owner-occupied units in these areas since 1990, as discussed above.

Small Loans to Businesses

The bank's geographic distribution of small loans to businesses in the AA is good. Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The percentage of FNBD's small loans to businesses made in the low-income geographies (22 percent) is above the percentage of businesses (16 percent) in that geography. The percentage of FNBD's small loans to businesses made in the moderate-income geographies (19 percent) is lower than the percentage of businesses (23 percent) in those geographies. The bank's market share for small loans to businesses (30 percent) in the low-income geographies exceeds its overall market share (16 percent) for small loans to businesses. The bank's market share for small loans to businesses in the moderate-income geographies (14 percent) is lower than its overall market share (16 percent) for small loans to businesses. Based on 2001 Peer Small Business Data, FNBD ranked 1st of 47 lenders making small loans to businesses. The bank also ranked 1st of 47 lenders making small loans to businesses in the low-income geographies and 2nd of 47 lenders making small loans to businesses in the moderate-income geographies.

Small Loans to Farms

The geographic distribution of small loans to farms reflected an adequate distribution among low- and moderate-income geographies. Refer to Table 7 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

The geographic distribution of small loans to farms made in low-income geographies (2 percent) exceeds the percent of small farms located in the low-income geographies (1 percent). The geographic distribution of small loans to farms made in moderate-income geographies (2 percent) is significantly less than the percent of small farms located in the moderate-income geographies (6 percent). According to the farm demographic data for the AA, there are only 5 farms located in low-income census tracts and 25 farms located in moderate-income census tracts. The low level of farm lending in these tracts is indicative of the overall small number of farms in these tracts. FNBD ranks 1st of 12 lenders with an overall market share of 54 percent. The bank's market share in the low-income census tracts is zero percent and the bank's market share in the moderate-income census tracts is zero percent. This is indicative of the small number of farms located in those census tracts, as previously noted.

Lending Gap Analysis

Reports and maps detailing FNBD's lending activity over the evaluation period for home mortgage loans and small loans to businesses and farms were reviewed to identify gaps in the geographic distribution of those loans. No unexplained conspicuous gaps were identified in the AA receiving a full scope review.

Inside/Outside Ratio

A substantial majority (86 percent) of the loans originated by FNBD during the evaluation period were within its AA. Ninety-one percent of the bank's home mortgage loans, 85 percent of the small loans to businesses and 47 percent of the small loans to farms were within the bank's AA. This performance positively influenced the overall analysis of the geographic distribution of lending by income level of geographies.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of FNBD's home mortgage loans, small loans to businesses and small loans to farms reflected an adequate dispersion among borrowers of different income levels throughout the bank's full scope AA.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate in the full scope AA. Although the distribution of loans to low-income borrowers is below the percentage of low-income families in the AA (see below), the performance is reasonable in light of the poverty level. Refer to Tables 8, 9 and 10 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Home Mortgage Refinance Loans

The borrower distribution for home mortgage refinance loans is adequate. Refinance loans (4 percent) made to low-income borrowers is significantly below the percentage of low-income families (21 percent) in the AA. Opportunities to make loans to low-income borrowers are limited by the high percentage of people living below the poverty level (over 12 percent). Refinance loans made to moderate-income borrowers (11 percent) is below the percentage of moderate-income families (18 percent). Market share in 2001 for refinance loans made to low-income borrowers (7 percent) and moderate-income borrowers (9 percent) are below the overall market share (12 percent). This is considered to be reasonable performance.

Home Purchase Loans

The overall borrower distribution of home purchase loans is adequate. Although the percentage of home purchase loans (8 percent) made to low-income borrowers was below the percentage of low-income families (21 percent) in the AA, the performance is reasonable in light of the poverty level. The percentage of home purchase loans (17 percent) to moderate-

income borrowers is relatively the same as the percentage of moderate-income families (18 percent) living in the bank's full-scope AA. The market share for low-income borrowers (3 percent) and moderate-income borrowers (3 percent) were below the overall market share for home purchase loans (5 percent).

Home Improvement Loans

The borrower distribution of home improvement loans is adequate. Although the percentage of home improvement loans made to low-income borrowers (11 percent) was below the percentage of low-income families (21 percent) in the AA, the performance is reasonable in light of the poverty level. As previously indicated, over 12 percent of the households in the AA are living below the poverty level. The percentage of home improvement loans to moderate-income borrowers (26 percent) significantly exceeds the percentage of moderate-income families (18 percent) living in the bank's full scope AA. The market share, for 2001, to low-income borrowers (0 percent) is significantly below the bank's overall market share for home improvement loans (2 percent). Again, this is reasonable in light of the poverty level. The market share to moderate-income borrowers (2 percent) is the same as the bank's overall market share (2 percent). This is considered to be reasonable performance.

Small Loans to Businesses

Borrower distribution of small loans to businesses is adequate. Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

FNBD's small loans to businesses with revenues of \$1 million or less (55 percent) are below the percentage of small businesses (81 percent) in the AA. FNBD has a market share of 20 percent for small loans made to businesses with revenues of \$1 million or less. The market share exceeds the bank's overall market share of 16 percent.

FNBD's small business distribution shows a significant amount of these loans are for small dollar amounts. Seventy-five percent (75%) of the reported small business loans were for original amounts of \$100,000 or less. An additional 13 percent of FNBD's small business loans were for original amounts between \$100,000 and \$250,000. The remaining 12 percent of all reported small business loans were originated for amounts between \$250,000 and \$1 million.

Small Loans to Farms

The borrower distribution of small loans to farms is weak. The percentage of small loans to farms with revenues of \$1 million or less (30 percent) was significantly less than the percentage of farms in the AA (98 percent) of \$1 million or less. However, it is important to note that 67 percent of the bank's farm loans did not have revenue information. It is possible that the percentage of small loans made to small farms is higher than 30 percent. The majority of the bank's loans to farms (80 percent) were in original amounts of \$100,000 or less, which was also below the percentage of farms in the AA defined as small. The market share of loans to farms with revenues of \$1 million or less (14 percent) was significantly below the bank's overall market share (54 percent).

Community Development Lending

CD loans had a positive impact on the Lending Test conclusions. The bank's volume of CD lending is responsive to the opportunities in the AA. Refer to Table 1 in Appendix C for the facts and data used to evaluate FNBD's level of community development lending.

During the evaluation period, FNBD originated two community development loans totaling \$724,000. Specific details of these loans are listed below:

Dove, Incorporated: \$100,000 line of credit used to fund delays in payments from the government. Dove, Inc. is a not-for-profit organization serving primarily low- and moderate-income individuals. Dove, Inc. is located in one of the AA's low-income census tracts. Funding from this organization provides transitional housing, case management and supportive services to homeless persons living in the Decatur area, emergency financial assistance, food and gifts to over 300 households each holiday season, children's clothing, domestic violence services, etc. In 2002, Dove served approximately 24,354 clients, the majority of which are low-income persons.

Old Kings Orchard: \$624,000 construction loan used to build a community center in one of the AA's low-income census tracts. The building helped to rehabilitate the area. Old Kings Orchard is a not-for-profit charitable organization that serves primarily low- and moderate-income individuals living in low- and moderate-income census tracts. The mission of the center is to provide underprivileged low-income residents, residing in Old King's Orchard Community, a place where they can meet and participate in recreation. Services provided at the community center include GED and an after school program. Approximately ten individuals have enrolled in GED classes and sixty to eighty youth participate in the after school program.

Other Lending

During this evaluation period, FNBD granted Letters of Credit totaling \$5 million, which had a positive impact on the bank's lending test. All letters were less than \$1 million and were largely made to small businesses.

Product Innovation and Flexibility

Product flexibility had a positive effect on the Lending Test conclusions. FNBD offers several flexible-lending products in order to serve its AA's credit needs, including below-market interest rates, extended terms and closing cost assistance. Below is a description of some of the flexible loan programs offered by FNBD. The number and dollar totals of loans made during this evaluation period are also shown.

City of Decatur First Time Home Buyer Program: This program allows for minimal down payments on low-cost homes in a designated area of the City. Income restrictions vary based on the number of persons living within the household. The target area for this program is generally downtown Decatur, more specifically described as the area bounded by Pershing Road on the North, Brush College Road on the East, Lake Shore Drive on the South, and Summit Avenue on the West. Homebuyers are allowed to use grant money to finance their 3 percent down payments. Twenty-five percent of the final cost is financed by the City of

Decatur, with the borrower only paying three (3) percent interest on these funds. The bank has generated twenty (20) of these loans for a total of \$170,125.

Federal National Mortgage Association (FNMA) Secondary Market Programs: FNBD offers several FNMA secondary market loan programs, which require down-payments of only five percent, ten percent or fifteen percent. Although Private Mortgage Insurance (PMI) is required on these loans, the lower down-payment requirements enable many low- and moderate-income borrowers to purchase a residence. The bank has generated 1,062 of these loans for a total of \$110,694,281.

Illinois League Grant Program: FNBD participates in this program, according to Federal Home Loan Bank guidelines. Grants are available for up to \$3,000 to cover down payment and closing costs. Borrower's income must be less than sixty percent of the area median income to qualify. An FNBD officer was instrumental in persuading the city to allow borrowers to use this grant in conjunction with their First Start Mortgage loan program (described below). During this evaluation period, the bank has generated 31 of these loans for a total of \$90,500.

Federal Housing Authority (FHA): FNBD started offering FHA loans in 1999. Although there are no income restrictions on this product, the low down-payment requirements assist low- and moderate-income borrowers to obtain homeownership. Under this program, a minimal three percent down payment is required. Additionally, the down payment may be a gift or a grant. The bank has generated 10 of these loans for a total of \$446,050, during this evaluation period.

First Start Mortgage: This program is an in-house program targeting the purchase of single-family residences in Macon County by low- and moderate-income families. The program was created to mirror the city program, which is only available in a designated area in Decatur. The program was created in July 1998 due to the problems with the city program as described above. A minimal three percent down payment is required for home purchase in Macon County, with the remaining 97 percent being financed by FNBD. The program is limited to homes with maximum sales prices of \$65,000. The bank has generated one of these loans, during this evaluation period, for a total of \$23,000.

INVESTMENT TEST

The bank's performance under the Investment Test is rated "Outstanding". Based on a full-scope review, FNBD's performance in its AA is excellent. Refer to Table 14 in Appendix C for the facts and data to support these conclusions.

FNBD originated an excellent level of qualified community development investments and grants based on its size, financial capacity and AA opportunities. During this evaluation period, FNBD made \$1,213,267 in qualified investments and donations, which benefited its AA. The bank also had a prior period qualified investment of \$250,000. In addition, MSTI has committed \$2.5 million to an additional community development project. The bank displayed good responsiveness to the community economic development needs in its AA.

The level of qualified investments in the AA is excellent. FNBD made 28 investments/grants during this evaluation period. The impact of these investments in the community was significant.

FNBD purchased \$1.1 million of Macon County School District #61 bonds in 2001. The majority of the students in this school district are from low- and moderate-income families. According to the 2002 Illinois District Report Card, 67 percent of the districts students are considered low-income. This is well above the state's average of 38 percent. In addition to this investment, the bank has also provided three grants to the District #61 totaling \$4,500.

Six cash grants totaling \$43,250 and three gifts of USA Education (Sallie Mae) stock totaling \$47,017 were provide specifically to rehabilitate and stabilize low- or moderate-income tracts. These grants helped improve buildings for the Decatur Public Library, Lincoln Square Building, and the Decatur Area Arts Council in a low-income tract in downtown Decatur. A new building for the YMCA/YWCA in a moderate-income tract also benefited from these grants.

Seven qualified grants totaling \$12,000 were provided to other organizations involved in providing community services to low- and moderate-income individuals, many of whom live in the low- and moderate-income areas.

The remaining eight grants totaling \$6,500 were provided to organizations that strive for economic development in the area and provide assistance/guidance to small business in the area.

The prior period qualified investment of \$250,000 was still outstanding. This investment was in the 1992 Illinois Equity fund for low-income housing.

In addition, MSTI has committed \$2.5 million for an investment in Wabash Crossing (formerly known as the Decatur Hope VI Redevelopment Project. This is a major housing project that will directly affect three low-income census tracts. In the first phase, 206 units of mixed-income rental housing will be built on 32-acres. It is expected that ninety-percent of these rental units will be provide affordable housing to low- and moderate-income individuals. This redevelopment project is part of the Near North Impact Area Revitalization Effort that will cover 120 acres and include 650 housing units, a town center, playgrounds, a new school, and an intergenerational campus with programs for children and senior citizens.

SERVICE TEST

The bank's performance under the Service Test is rated "High Satisfactory." FNBD's delivery systems are readily accessible to geographies and individuals of different income levels in its AA. In addition, the bank provides a relatively high level of community development services.

Retail Banking Services

FNBD's delivery systems are readily accessible to geographies and individuals of different income levels in its AA. Accessibility is excellent in low-income geographies where 7 percent of the population resides, and 33 percent of FNBD's facilities, including the main office, are located. In addition, 8 percent of the bank's ATM's are located in low-income tracts. In moderate-income geographies, accessibility is good through the 17 percent of the bank's branches and 25 percent of the bank's ATM's located there. Residents of these geographies

comprise 20 percent of the AA total. Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system.

The bank has not opened or closed any branches during this evaluation period. However, the bank has added three ATM's during this evaluation period. None of the new ATM's are located in low- or moderate-income census tracts.

All branches, except one drive-up facility (located in a low-income area), provide full banking services. The bank offers a variety of products and services including deposit and loan products, debit cards, wire transfer, telephone and PC banking, and Automated Clearing House (ACH) transactions. At the main bank, non-deposit investment products are sold. Loan products include real estate loans, commercial loans, consumer loans and agricultural loans. All, but three ATM's located in gas stations, accept deposits.

Services, including business hours do not vary in a way that inconveniences low- or moderate-income individuals or census tracts. Branch hours offer reasonable access and convenience. All locations have drive-up facilities. Lobby and drive-up hours vary slightly depending on the location, but they generally are 8 A.M. to 5 P.M., Monday through Thursday. Closing is extended to 6 P.M. on Fridays. Saturday hours are generally 8 A.M. to Noon. At the facility that services mall merchants and various retail stores, closing is extended by one hour Monday through Friday and by three hours on Saturday.

FNBD offers some alternative delivery systems used to expand the availability of retail bank services to all areas of the AA. In addition to their ATM network, the bank offers 24-hour access through its telephone banking and Internet banking systems. These free systems allow customers to check balances, transfer funds, make loan payments and perform other related transactions. Electronic bill payment is available for a monthly fee. FNBD did not have any information to show how low- and moderate-income individuals or geographies benefited from these alternative delivery systems. Therefore, we could not place significant weight on these systems when drawing our CRA performance conclusions.

Community Development Services

FNBD has provided a relatively high level of community development services in its AA. The bank provides both a large number of services and services a large number of different organizations. The following examples illustrate the services provided:

- The bank's marketing representative presents the Bank at School program, administered by the Illinois State Treasurer, to the Robertson Charter School. The Robertson Charter School targets low-income students.
- Several bank employees have participated in teaching the Personal Economics class within District #61 Schools. This class helps students understand income, money management, spending, credit, savings, investing and risk management. As mentioned in the investment test, the District #61 student body is mostly low-income (67 percent).
- Decatur Memorial Foundation's major project is the contribution of funds and services to lower economic areas for improved health services. A bank officer serves on the board

of this organization and is involved in planning and organization of funding.

- A bank officer serves on the Community Investment Corporation of Decatur, Inc. (CICD) board and loan committee. This organization is a private not-for-profit corporation whose goals are to combat community deterioration, promote the community's general welfare, and improve economic, housing and social conditions for low- and moderate-income Decatur citizens. The CICD programs include business development and expansion assistance, job creation and retention, and neighborhood and social welfare programs.

CICD revolving loan funds help businesses to develop or expand and in turn create permanent jobs and growth of capital in Decatur. The funds are used to make low interest rate loans in conjunction with conventional loans from private lenders. The small and minority business loan fund provided by CICD provides financing assistance to small businesses operating or locating in the City of Decatur. Goals of this program are to increase the number of job opportunities especially to low- and moderate-income individuals.

- The president of the bank serves on the board of Webster-Cantrell Hall. He also serves on the Finance and Fund Development Committee. Webster-Cantrell Hall provides housing for troubled boys and girls along with a family first program, which oversees the foster family care.
- The bank's marketing representative is involved in the Downtown Decatur Council, which is working to stabilize a low-income tract through attracting businesses and events to the area. This bank employee is on the Council's board and does all of the marketing for the council.
- A bank officer is on the board of Planned Parenthood of Decatur. The officer, as a board member, provides input on the budget and has been active to ensure that the organization is in compliance with all federal funding requirements. This organization helps meet health needs of low- and moderate-income individuals. Eighty-five percent of the organization's clients in 2002 were low- and moderate-income individuals.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD Loans): (07/01/1999 to 12/31/2002) Investment and Service Tests and CD Loans: (09/28/1999 to 04/27/2003)	
Financial Institution	Products Reviewed	
First National Bank of Decatur Decatur, Illinois	Home mortgage loans (Home purchase, home improvement, refinance and multi-family) Small loans to businesses Small loans to farms Community Development loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Main Street Trust, Inc. (MSTI)	Holding Company	Qualified Investment Commitment
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Decatur MSA #2040	Full-Scope	Macon County

Appendix B: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

Decatur MSA.....	B-2
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Decatur MSA #2040

Demographic Information for Full Scope Area: Decatur - 2003						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	37	13.51	18.92	45.95	21.62	0.00
Population by Geography	117,206	6.93	20.35	46.59	26.13	0.00
Owner-Occupied Housing by Geography	32,268	4.29	16.58	49.36	29.78	0.00
Business by Geography	4,963	16.06	22.99	36.57	24.38	0.00
Farms by Geography	407	1.23	6.14	64.62	28.01	0.00
Family Distribution by Income Level	32,601	20.73	17.51	23.72	38.04	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	12,467	12.36	29.81	42.08	15.75	0.00
Median Family Income		34,862	Median Housing Value	43,370		
HUD Adjusted Median Family Income for 2002		54,300	Unemployment Rate (1990	3.17%		
Households Below Poverty Level		12.16%	US Census)			

Source: 1990 US Census and 2002 HUD updated MFI

All of the bank's offices and ATMs are located in this MA. FNBD has the second highest market share (21 percent) of deposits in the MSA, with 21% of the markets deposits. The bank's main competitors include Hickory Point Bank and Trust, FSB; Union Planters Bank, N.A. branch; Soy Capital Bank and Trust Company; National City Bank of Michigan/Illinois branch and several large local credit unions. Based on the June 30, 2002 FDIC information, there were 16 different commercial banks and thrift institutions located in this AA, with forty-seven offices in the area.

The AA covers all of the Decatur MA (Macon County, Illinois). Of the 37 census tracts, 5 (14%) are low-income tracts, 7 (19%) are moderate-income tracts; 17 (46%) are middle-income tracts; 8 (22%) are upper-income tracts. According to the 1990 Census, the total population in this area is 117,206. Of this total, only seven percent reside in low-income census tracts and 20% in moderate-income tracts. Forty-seven percent of the population resides in middle-income census tracts and twenty-six percent in upper-income tracts.

The total number of families in the area is 32,601. Based on 2002 HUD adjusted MSA Median Family Income of \$54,300, 21 percent are low-income, 18 percent are moderate-income, 24 percent are middle-income; and 38 percent are upper-income. According to census data, fifty-eight percent of all low- and moderate-income families reside in middle-and upper-income tracts. In addition, twelve percent of the households in the AA are living below poverty level.

There are 50,049 housing units within the AA. Of this total, 64 percent are owner occupied, 27 percent are renter occupied, and eight percent are vacant. Owner-occupied housing is lower in the low-income tracts (35%) and in the moderate-income tracts (46%). In 1990, only 3,997 of the housing units were in the low-income areas. Today this number would be even smaller as the city has bought and leveled many of the properties and is planning a redevelopment

project for the area. There were 11,744 housing units in the moderate-income census tracts. The weighted average median housing price was \$43,370 in 1990. The weighted average median age of housing was thirty-four years old. In the AA, 4 percent of the owner occupied homes are in the low-income tracts and 17 percent are in the moderate-income tracts.

The total number of businesses located in the AA is 4,963. Of this total, 16 percent are located in the low-income tracts, 23 percent are located in the moderate-income tracts, 37 percent are located in the middle-income tracts, and 24 percent are located in the upper-income tracts. Small businesses (gross revenues of less than \$1 million) make up 81% of the businesses in the AA.

The total number of farms located in the AA is 407. Of this total, 1 percent are located in the low-income tracts, 6 percent are located in the moderate-income tracts, 65 percent are in the middle-income tracts, and 28 percent are located in the upper-income tracts. Small farms (gross revenues of less than \$1 million) make up 98% of the farms in the AA.

The largest two industries in the AA are services and retail trade, which make up 36% and 18% percent of the employers, respectively. Major employers in the AA include Caterpillar, Inc., Archer Daniel's Midland, Decatur Memorial Hospital, Illinois Power Company, and AE Staley. Unemployment within the Decatur MA for March 2003 was 8%, compared with 7% for the state of Illinois, and 6% for the nation.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm.

Market share information is presented based on the most recent aggregate market data available.

Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Institution ID: 10000004920 FIRST NATIONAL BANK OF DECATUR

Table 1. Lending Volume

LENDING VOLUME		Geography: DECATUR MSA				Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002						
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Decatur MA	100.00	1,448	137,825	904	97,219	61	3,983	2	724	2,413	239,027	100.00

* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is From September 28, 1999 to April 27, 2003.

*** Deposit Data as of June 30, 2002. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: 10000004920 FIRST NATIONAL BANK OF DECATUR

Table 1. Other Products

LENDING VOLUME		Geography: DECATUR MSA				Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002						% of Rated Area Deposits in AA***		
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**			Other Secured Consumer**	
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)		#	\$(000's)
Full Review:														
Decatur	0.00	0	0	0	0	0	0	0	0	0	0	0	0	100.00

* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Optional Product Line(s) is From July 01, 1999 to December 31, 2002.

*** Deposit Data as of June 30, 2002. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: 10000004920 FIRST NATIONAL BANK OF DECATUR

Table 1. Other Products

LENDING VOLUME		Geography: DECATUR MSA		Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002	
MA/Assessment Area (2002):	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
Full Review:					
Decatur	0	0	0	0	0

* The evaluation period for Optional Product Line(s) is From July 01, 1999 to December 31, 2002.

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Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: DECATUR MSA				Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
Full Review:															
Decatur MA	425	100.00	4.29	1.65	16.58	7.76	49.36	44.47	29.78	46.12	4.53	2.08	2.07	5.34	4.49

* Based on 2001 Peer Mortgage Data: Central Region.

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

Institution ID: 10000004920 FIRST NATIONAL BANK OF DECATUR

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: DECATUR MSA				Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
Full Review:															
Decatur MA	110	100.00	4.29	0.91	16.58	9.09	49.36	50.00	29.78	40.00	1.56	0.00	0.00	2.56	0.91

* Based on 2001 Peer Mortgage Data: Central Region.

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

Institution ID: 1000004920 FIRST NATIONAL BANK OF DECATUR

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: DECATUR MSA				Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
Full Review:															
Decatur MA	913	100.00	4.29	0.33	16.58	4.71	49.36	44.80	29.78	50.16	10.03	2.44	6.43	8.75	12.62

* Based on 2001 Peer Mortgage Data: Central Region.

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

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Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: DECATUR MSA				Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans					
Full Review:															
Decatur MA	0	0.00	11.94	0.00	37.59	0.00	33.98	0.00	16.49	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Mortgage Data: Central Region.

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 Census information.

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Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: DECATUR MSA				Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002									
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Decatur MA	904	100.00	16.06	21.79	22.99	19.47	36.57	39.05	24.38	19.69	16.28	30.05	13.70	13.15	15.56

* Based on 2001 Peer Small Business Data: US&PR.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2002).

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Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: DECATUR MSA					Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002									
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
Decatur MA	61	100.00	1.23	1.64	6.14	1.64	64.62	68.85	28.01	27.87	54.17	0.00	0.00	63.64	45.45	

* Based on 2001 Peer Small Business Data: US&PR.

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2002).

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Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: DECATUR MSA					Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002					Market Share*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Decatur MA	425	100.00	20.73	8.19	17.51	17.35	23.72	17.59	38.04	56.87	4.95	2.67	3.36	4.36	7.99	

* Based on 2001 Peer Mortgage Data: Central Region.

** As a percentage of loans with borrower income information available. No information was available for 2.35% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

**** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

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Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: DECATUR MSA				Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002					Market Share*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****					
Full Review:															
Decatur MA	110	100.00	20.73	11.11	17.51	25.93	23.72	24.07	38.04	38.89	1.63	0.00	2.35	2.44	1.27

* Based on 2001 Peer Mortgage Data: Central Region.

** As a percentage of loans with borrower income information available. No information was available for 1.82% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

**** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

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Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: DECATUR MSA				Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Decatur MA	913	100.00	20.73	4.40	17.51	11.29	23.72	22.46	38.04	61.85	11.89	6.67	8.87	8.84	16.19

* Based on 2001 Peer Mortgage Data: Central Region.

** As a percentage of loans with borrower income information available. No information was available for 2.96% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

**** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

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Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: DECATUR MSA		Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002					
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Decatur MA	904	100.00	81.44	54.54	74.67	13.05	12.28	16.28	19.66

* Based on 2001 Peer Small Business Data: US&PR.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2002).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 17.70% of small loans to businesses originated and purchased by the bank.

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Table12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: DECATUR MSA			Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Decatur MA	60	100.00	98.03	30.00	80.33	16.39	3.28	54.17	13.64

* Based on 2001 Peer Small Business Data: US&PR.

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2002).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 66.67% of small loans to farms originated and purchased by the bank.

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Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
			Geography: DECATUR MSA			Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Decatur MA	1	25 0	28	1213	29	1463	100.00	1	2500

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: DECATUR MSA				Evaluation Period: JULY 1, 1999 TO DECEMBER 31, 2002									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Decatur MA	100.00	6	100	33.33	16.67	16.67	33.33	0	0	0	0	0	0	6.93	20.35	46.59	26.13